

Attention Business Editors:

Skor Food Group completes the acquisition of the \$180 million wholesale Cash and Carry business from Sobeys Inc.

TORONTO, March 31 /CNW/ - The Skor Food Group Inc. (TSX.V: SKF) ("Skor"), a rapidly growing, broad line food service distributor today announced the completion of the purchase of the \$180 million Cash and Carry business, operating under the Lumsden Brothers banner, from Sobeys Inc. (TSX:SBY).

The acquisition includes 11 locations throughout Southern Ontario that serves a customer base comprised of independent convenience stores, food service providers and office coffee and vending operators. This strategic acquisition provides opportunities to consolidate supplier relationships and expand product offerings at both the wholesale and distribution divisions. Management will be consolidated into Skor's new 205,000 sq. ft. Head Office facility in Vaughan, Ontario. The \$13.5 million total purchase price was funded from the net proceeds of the recently announced \$9 million private placement and vendor take back financing.

This acquisition brings Skor's total yearly revenue to \$260 million and complements its strategic growth plans to vertically integrate the business. It is also a major step towards management's stated goal of achieving \$500 million in revenue. The acquisition is expected to be accretive to annual earnings.

The Skor Food Group Inc. distribution division supplies more than 7,000 private label and name brand, frozen goods, refrigerated products and dry goods to a wide range of multi location food retailers, Quick Service Restaurant chains, independent food service operators, day care facilities and government institutions throughout Ontario. The Skor Cash and Carry division with its 11 locations throughout Southern Ontario offers in excess of 5000 products to the food service and retail industry.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

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CO: The Skor Food Group Inc.

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